

BOARD OF SELECTMEN
BUDGET WORKSHOP
February 27, 2010

I. TIME AND PLACE OF MEETING

Ms. Menard called the meeting to order on Tuesday, February 27, 2010 at 9:05 A.M. at the East Windsor Town Hall

II. ATTENDANCE

Denise Menard, First Selectman
Mark Simmons, Deputy First Selectman
John Burnham, Selectman
Gilbert Hayes, Selectman
Richard Pippin, Jr., Selectman

Also in attendance: Cathy Cabral, Treasurer

Ms. Menard started the meeting by distributing paperwork, including that new portion of the Charter that relates to the budget, budget related articles of interest; the March 1, 2010 Grand list (which denotes a mil as \$1,077, 999.08) as well as back up information and break downs for several budget items.

As the Board goes through the budget line by line, in future discussions they need to keep in mind, including but not limited to, the following:

Fire Protection Line - it was noted this item was cut last year and there will be a shortfall this year, so the money has to be put back in the budget for anticipated costs the coming budget year.

Tonnage was discussed briefly including the ability to forecast realistic budget figures.

Parks and Recreation – the program side of Park and Recreation is not part of the budget. The day to day programs come out of a program account where money goes into a separate account and self funds – a program account summary distributed.

Much of the discussion for the meeting surrounded salaries. Ms. Menard cautioned the Board to use fairness and consideration of taxpayers, employees of the town and Boards and Commissions and it was acknowledged by all these will be difficult decisions.

It was noted philosophy in past has been to not increase taxes as much and take money from fund balance, i.e. the savings account. Taking from savings good is appropriate in good times; but the balance is below the norm due to tax collections which are lower with business closings; as well as the interest incomes are lower as the savings balances are down and rates lower. On the investment side at one point, the Town was able to use the

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interest – last year 1.2 million of those monies used. The town will not be able to do that this year. If you give salary increases to union folks with contracts – ten people who do not have a contract get nothing again. Is that fair to those nonunion employees? If you increase salaries, but institute furlough days – well that means in slim times there are furlough days, but when times are good, then the salary is in line where the employee's position and time served would be – it is fair. Ms. Menard noted it's about fairness and keeping competitive – even through difficult times. The nonunion personnel were named specifically for the board's information; as well as information on what employees have recently joined the union.

The board had lengthy discussion on the concept of providing raises to employees, but adding furlough days due to difficult budget times; that way when the economy is better, the personnel are at the rate they have earned.

The work week of town employees was discussed, including those supervisors and employees who are salary and often work more than the 35 hour work week. It was noted that the sooner the Board knows what course it will take, the sooner negotiations with the unions can begin. Throughout the morning the Board discussed the concepts of four (4) day work week possibilities and that impact on the public; furlough days and whether the hour changes would include departments such as the senior center and public works. The challenges with public works as their hours are different and overtime complications were discussed. Currently public works has a separate contract and work different hours than town employees now. The board talked extensively about fewer hours equalling fewer services to the taxpayers. Also the concerns that if you lay off employees you still have to provide the town services and then you would have to remember unemployment considerations.

Out sourcing and contracting savings were discussed.

TOWN CLERK POSITION

The board discussed the Town Clerk vacancy in detail and at length. They discussed the concepts of overtime; promoting from within, reducing the staffing to a full time Clerk and two part time office staff – which would reduce that office one benefit package.

To promote from within for the town clerk position and have two part timers in the office would be a cost savings.

CONSENSUS: Regarding the vacancy in the town clerks office the board is interested in the concept of the current full time person taking the Town Clerk position - a promotion from within - and the office staff to consist of two (2) part time assistants. Ms. Menard will investigate this with the staff and report back to the board.

CHARTER REVISION QUESTION

Ms. Menard spoke with the town attorney regarding the language “up to 2%”. The Charter Revision members have been spoken to, and the secretary of state as well. It was a clerical error and Ms. Menard is investigating how to refile the Charter document with the town clerk. It was not the intent of anyone on Charter Revision to have the language “up to 2%.” The intent was after the third referendum no decision to be made but an automatic 2%.

She noted for the board the language “up to 2%” it is likely language to change “2%”

The process of the budget with the new Charter language was discussed in detail and the roles of the various boards.

Ms. Cabral discussed the unemployment chart which was distributed to the board and her hesitation in regard to the document. She is hesitant to give the figures as it is never black and white and many factors are involved. This will be discussed more in depth at the time the Board discusses unemployment in the budget.

It was inquired if you were a full time Town employee and wanted to take on the part time position as well – is that possible - the answer is no. To clarify, for example – if you are the Town Clerk and there is a janitor position part time – in same town – can you take the janitor position in addition to the full time position. It was stated no that is not possible. The line of thinking Mr. Burnham was taking – why cannot the full time person in an office; take on the vacant part time position as well – collect the part time salary for the work and avoid cost of overtime to the town. It was discussed at length, using the examples above how that is not possible.

Overtime was discussed in detail – including the concept that to pay overtime versus adding positions – which is not the financially economical way to go – considering pension and rates.

The pension parameters are not negotiable until 2017, which is something the current administration inherited. Ms. Menard invited Mark Simmons to contract negotiations with the Supervisors as his background and knowledge would be a great asset.

The board discussed buyouts / early retirements and new hires. They discussed the difficulty in setting parameters for who would be eligible for buyout/retirement, as well as the potential negative effects on the pension and the loss of a significant portion of the skilled labor set; which would not benefit the town.

A BUDGET MESSAGE

As this is the first year incorporating the Charter Revision Ms. Menard suggested a letter to the residents that goes with the budget – which tells budget and mil increase / decrease coupled with standard comparable communities. The letter would provide numbers to the residents as to what budget proposed is – for the town side and education side. It would note the fixed increases which drive budget costs. It would provide information on the public hearing date and location. The board thought it was a good idea to get the information to the public – it is only facts, no opinions or editorials – just facts. “A budget message” It can also be posted on the website. This would continue the initiative for better communication.

CONFERENCES/TRAINING

At this point in the preliminary budget work by the board, for conference and training and how to figure appropriate consistent budget numbers was discussed. It was determined different offices have different requirements for conferences and training. But it was reiterated conferences and training for certification and absolute necessity, no fluff.

TRAVEL

It was noted the IRS mileage has gone down – so travel can go down across the board to incorporate the new mileage.

Ms. Menard noted the Board authorized the Human Resources consultant to get the town on board for policies consistent for all nonunion employees. Currently unaffiliated is done year to year and the Board is on board for a future policy for all nonunion and that will be a future discussion.

FURLOUGH DAYS

At this point in the preliminary budget work by the board, the consensus of the Board is across the board for nonunion 2% increase salary and an equal number of furlough days to offset the cost of that increase due to harsh economic times. Later in the meeting it was 2% is for the part-time as well; as they are affected by furlough as well.

Furlough days were discussed at length. Ms. Menard will speak with the HR consultant and the bargaining units about this proposal and how to proceed. The example of closing town hall between Christmas and New Years for furlough days was discussed.

The Treasurer explained that there is no way to reflect furlough days in the budget – if put in for specific number of days and someone for some reason does not take them it could pose a budgeting problem. For town employees it was felt definitive days off, predetermined, can be reflected in the actual budget.

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The idea of closing town hall between Christmas and New Years as furlough days to make up the cost difference for the salary increases during a difficult budget year. This would also provide cost savings in regards to the use of the Town facilities being closed one week such as electricity, heat, etc. The concept is to incorporate the furlough days (at this time four days) throughout the yearly salary not one lump weeks pay missing. This concept needs to be investigated and brought to the unions. The legality of closing town hall for one week will be investigated. The idea of four set days as opposed to one solid week will be investigated as well.

Individual budgets line by line analysis.

1010 SELECTMEN

Mr. Burnham began the discussion by suggesting they give CEO position raise of \$10,000 and he noted for the records that Denise Menard the current First Selectmen refused it.

Ms. Menard indicated there are others to consider the same philosophy for and it would be appropriate to be fair.

Mr Hayes noted the idea of budgeting an equity adjustment to the position in general; not a percentage raise.

Denise Menard did not contribute to conversation and in fact, left the room. Mr. Simmons took over the meeting at this point.

Mr. Hayes noted the position of the CEO (i.e. First Selectman) cannot be a small increase and they are not looking for the same percentage or adjustment to all positions – but to bring CEO position salary in line. The history of this position not getting an increase as it has been forfeited by the person holding office was discussed in detail, including that by doing that, it has made the position underfunded. It's a nice gesture for the First Selectmen to forgo a raise, but it has underfunded the position. It was noted the Top 25 salary list and the CEO of Town is not on it. Mr. Burnham noted the First Selectman position should at least be a salary between the 25th and 26th top town salaries.

MOTION: To incorporate into the 2010/2011 budget an equity adjustment in the amount of \$6100 to the First Selectman salary.

Made by Mr. Hayes, seconded by Mr. Pippin

Discussion: Mr. Burnham felt if you took the 10 similar communities, using the comparative communities list, and put the First Selectman salary in the middle, that would be a fair way to go. The four selectmen took time to view the

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comparative communities list and see where this concept of the equity adjustment lies in the surrounding communities and averaged it out. The Treasurer did the math and it was noted the average salary - using six of those communities that had a similar position on the comparative town list - was \$70,244.

VOTE: In favor. Hayes, Simmons, Pippin

Opposed: Burnham (noted for the record he is opposed as it is not enough money for the position as he prefers the comparative list average as stated during discussion)

(Ms. Menard recused herself from discussion and vote)

MOTION CARRIED

Ms. Menard returned to the meeting and resumed running the meeting.

1010: TOTAL: \$160,304 (\$7,050 increase) - **this is not taking into consideration the furlough day reduction.**

1015 LEGAL

Legal to remain as proposed it was noted it incorporates legal costs associated with Supervisors contract negotiations.

1020 TOWN AUDITOR

1025 TREASURER

2% for one salary and furlough will impact this budget

1025 Total: \$188,765 - **this is not taking into consideration the furlough day reduction.**

1030 TOWN CLERK

The Board discussed policy regarding new hires to a position and working that position for a year before an increase is implemented. That is working at the rate you were hired for at least a year. The policies when someone starts you do not give them an increase on July 1, but wait a probationary period after that time. If a new position even started in prior fiscal year then the next budget year no increase.

Ms. Menard reiterated the comparative towns Town Clerk salary. It was the census of the board that the salary range, depending on experience, is from \$51,000 to \$56,000 for this Town Clerk position. It was noted the retiring clerk had 20 years experience. For the proposed budget and to get a figure the board input a salary at \$52,000 again with the understanding no one has been hired or interviewed, but this will put a figure in the

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budget process. It is the understanding of the board, based on the credentials and new hire, this figure may swing within that range.

1030 Total: \$117,858- **this is not taking into consideration the furlough day reduction.**

1035 Assessor

Positions are union – the 2% on part time was figured.

1035 Total: \$178,549- **this is not taking into consideration the furlough day reduction.**

1040 Tax Collector – (Mark Simmons recused himself from this discussion)

Full time tax collector salary was reduced from previous tax collector – she has been in the position for a year and she is eligible for 2% increase and part time.

1040 Total: 118,115 - **this is not taking into consideration the furlough day reduction.**

Mr. Simmons returned to the meeting.

BAA 1045

The salary of Board of Assessment Appeals members was discussed at length. The Board discussed the volunteers in town who work on other boards and commissions who contribute a lot of volunteer time – including the Boards of Selectmen and Finance and get no stipend. For consistency the stipend was reduced to zero and the stipend can be reconsidered in a Reval year.

1045 BAA Total: \$2650

The Board will resume budget discussions at their regular meeting under Budget Discussions.

MOTION: To adjourn at 12:30 p.m.
Made by Mr. Simmons, seconded by Mr. Pippin
ALL MEMBERS IN FAVOR. MOTION CARRIED.

Respectfully submitted,

Cynthia D. Croxford
Recording Secretary